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15 *Attorneys for Plaintiff*  
16 *Lider Electric Inc.*

17 LIDER ELECTRIC INC.,

18 *Plaintiffs,*

19 v.

20 SOCKET SOLUTIONS, LLC,

21 *Defendants.*

22 Case No. 8:23-cv-1054

23 **COMPLAINT FOR**  
24 **DECLARATORY JUDGMENT OF**  
25 **NON-INFRINGEMENT AND**  
26 **INVALIDITY**

27 ***JURY TRIAL DEMANDED***

28 Lider Electric Inc. (“Lider” or “Plaintiff”), by its undersigned counsel, hereby  
alleges as follows in support of its Declaratory Judgment Complaint against Socket  
Solutions, LLC (“Socket Solutions” or “Defendant”).

1 **NATURE OF THE ACTION**

2 1. This is a declaratory judgment action arising under the Declaratory  
3 Judgment Act, 28 U.S.C. § 2201 et seq. and the Patent Laws of the United States, 35  
4 U.S.C. § 1 et seq. Lider brings this action in view of the actual controversy that Socket  
5 Solutions has created with respect to Lider's purported validity and infringement of  
6 Socket Solution's U.S. Patent No. 9,509,080 (the "'080 patent").

7 2. Socket Solutions has repeatedly accused Lider's Outlet Extender (the "Lider  
8 Product," shown below) of infringing the '080 Patent. The Amazon ASIN numbers for  
9 Lider's listings of the Lider Product are identified *infra*. Through several take down  
10 requests to Amazon, Socket Solutions has succeeded in causing Amazon to remove the  
11 Lider Product listings over Lider's active protestation.



21 3. The removal of the Lider Product listings on Amazon has caused Lider to  
22 realize a significant loss of sales given that Amazon is its primary sales platform. In  
23 addition to Lider's monetary losses, the removal of the Lider Product listings from  
24 Amazon has harmed Lider's goodwill and reputation.

25 4. Socket Solutions has not otherwise sought to adjudicate its infringement  
26 allegations in court.

1 **PARTIES**

2 5. Lider is a corporation duly organized and existing under the laws of  
3 California, with an address of 4695 MacArthur Court, Newport Beach, CA 92660.

4 6. On information and belief, defendant Socket Solutions is a limited liability  
5 corporation organized and existing under the law of Texas with an address of 4849  
6 Homestead Rd., Ste 234, Houston, TX 77028.

7 **JURISDICTION AND VENUE**

8 7. The Court has subject matter jurisdiction over this action under the  
9 Declaratory Judgment Act, 28 U.S.C. § 2201 et seq., and under the patent laws of the  
10 United States, Title 35 U.S.C. §§ 1, *et seq.*

11 8. This Court has specific personal jurisdiction over Socket Solutions because  
12 Sockets Solutions has repeatedly and purposefully targeted Lider – and the distribution of  
13 the Lider Products – in this District. On information and belief, Socket Solutions has at  
14 all times known that Lider is a California company operating essentially exclusively in  
15 California, and that the Lider Products are distributed within and from California,  
16 including to Amazon’s many warehouses local to Lider in this Judicial District. Knowing  
17 that Lider was actively resisting Socket Solutions’ takedown request to Amazon, Socket  
18 Solutions nonetheless persisted with its takedown demand and ultimately succeeded in  
19 causing Amazon to de-list the Lider Products. On information and belief, Socket Solutions  
20 knew and understood its acts would cause Lider to lose significant revenue, as  
21 well as harm Lider’s reputation. On information and belief, Socket Solutions was well  
22 aware of the injury it was causing to Lider in this District, and desired that injury to occur  
23 in this District, which is the only District in which Lider has a place of business. On  
24 information and belief, Socket Solutions knew and understood that its actions would  
25 cause the cessation of distribution of the Lider Products to and from Amazon in this  
26 Judicial District, and elsewhere in California. Other bases for personal jurisdiction are set  
27 forth further in other Sections of this Complaint, *infra*.

9. The Court's exercise of personal jurisdiction over Socket Solutions is further justified because, upon information and belief, Socket Solutions derives substantial revenue from sales of its products (including the claimed commercial embodiment of the claimed patented design) in this District, and Socket Solutions has otherwise availed itself of the benefits and privileges of doing business within California to advertise and sell its competing products that its claims are covered by the '080 Patent.

10. Exercising personal jurisdiction over Socket Solutions in this Judicial District would not be unreasonable given Socket Solutions' extensive contacts with this Judicial District, the interest of this Judicial District in resolving disputes related to products and/or services sold herein, and the foreseeable harm that will continue to occur to Lider in this District if the Court does not exercise personal jurisdiction over Socket Solutions.

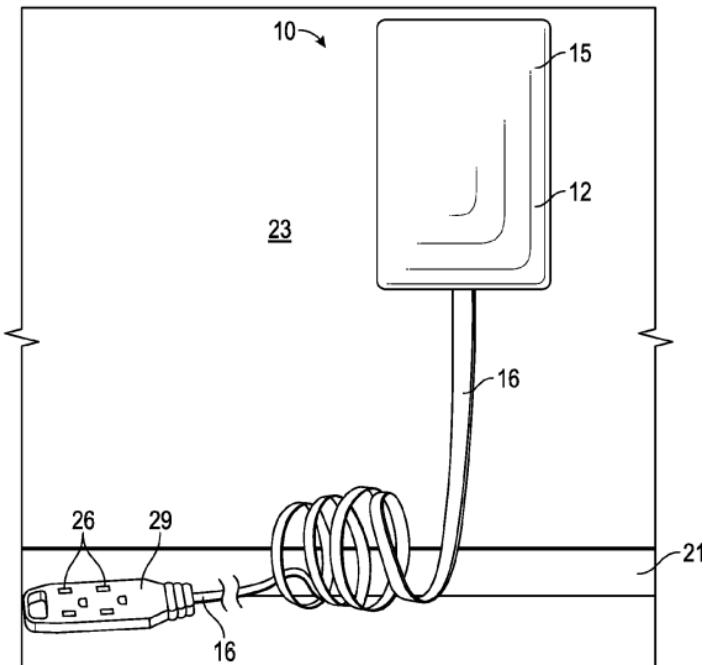
11. Venue is proper under 28 U.S.C. §§ 1391(b) and 1391(c) for the same reasons that the Court's exercise of personal jurisdiction is appropriate.

## PATENT-IN-SUIT

U.S. Patent No. 9,509,080

12. The '080 patent is entitled "Functional Indoor Electrical Wall Outlet Cover" and issued on November 29, 2016. A copy of the patent is attached as **Exhibit 1**. The abstract of the '080 Patent summarizes the patent as "[a]n indoor electrical wall outlet cover permitting functional use of an electrical wall outlet while fully concealing the plug contact openings of the outlet. The cover has a functional electrical plug that inserts into the wall outlet and is connected to an extended electrical cord having at its distal end one or more functional electrical receptacles for indirect use of the wall outlet. In one embodiment, the cover is essentially featureless in outward appearance, and when positioned over the wall outlet, the cover fully hides the wall outlet from view, including the perimeter dimension of the wall outlet. The functional electrical plug has electrical connection pins that are bent at a [stet] angle enabling the cover to function without extending any significant degree outward of the wall outlet, so that furniture may be

1 positioned effectively flush against the wall in front of the covered wall outlet.” Figure 1  
2 is reproduced below:

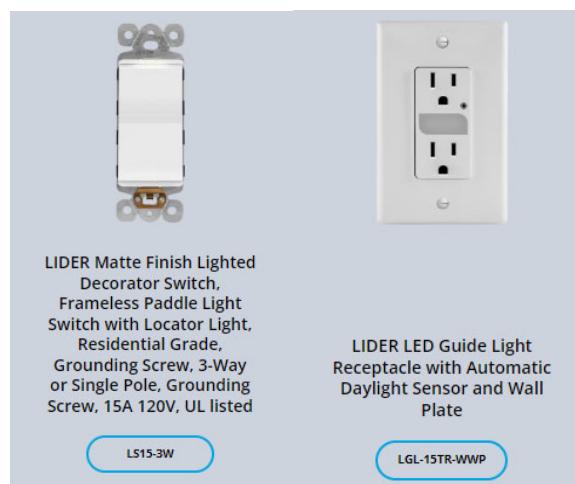


14  
15 **LIDER'S BUSINESS**  
16

17 13. Lider is a small business operating essentially exclusively within this  
18  
19 Judicial District.

20 14. Lider is a new company that launched its brand in or around October 2022.

21 15. Lider sells light switches, electric receptacles, faceplates, and other  
22  
23 technologies that control or improve the aesthetics of lights and wiring. Exemplary  
24 product listings from Lider's website, [lider-electric.com](http://lider-electric.com), are reproduced below:



1       16. Lider sells is numerous products on Amazon, which is Lider's primary sales  
2 platform. The accused Lider Products have been sold essentially entirely on Amazon.

3       17. Lider also sells its products on its own website, [lider-electric.com](http://lider-electric.com).

4       18. Lider sells the accused Lider Product on its website (see <https://lider-electric.com/?s=LWE>), but sales through the website have been marginal compares to  
5 those on Amazon.

6       19. The accused Lider Products were first introduced on February 19, 2023, and  
7 since that time has been on sale on Amazon under several ASIN listings reflecting  
8 various design options: B0BTY8Y5VW, B0BV628K9Y, B0BV5Y8BV3,  
9 B0BV67SDC3, B0BV5YR513, B0BV68L46Q, B0BV5R6HVZ, B0BTY9GTC6,  
10 B0BTYBGW22, B0BTY98ZYV, B0BTY96M4R, B0BTY936GL, B0BTY8Y5VW.

11       20. Lider imports the Lider Products exclusively through the Ports of Los  
12 Angeles and Long Beach within this Judicial District.

13       21. The Lider Products are then picked up and brought to Lider's warehouse in  
14 Irvine, California, within this Judicial District.

15       22. The Lider Products that will be sold over Amazon are then shipped from  
16 Lider's warehouse to Amazon warehouses that are located, among other locations, in  
17 Riverside, Fontana, Moreno Valley, and Stockton. It is estimated that at any given time  
18 around 50% or more of the Lider Products may have been – and currently are –  
19 inventoried at Amazon's California facilities, including those within this District.

1 **SOCKET SOLUTIONS' RELEVANT CONDUCT**

2 23. Socket solutions is listed on the U.S. Patent Office website as the assignee of  
3 the '080 Patent.

4 24. On information and belief, defendant Socket Solutions' primary product is a  
5 claimed commercial embodiment of the '080 Patent that it sells under the brand name  
6 "Sleek Socket." An example image is shown below.



21 25. Socket Solutions has alleged in the past that Sleek Socket products are the  
22 top-selling products in their category and currently account for approximately \$20  
23 million in annual gross revenues.

24 26. Amazon is a major sales platform for Socket Solutions and its Sleek Socket  
25 products.

26 27. The accused Lider Products were competing directly with the Sleek Socket  
27 on Amazon.

28 28.

1       29. On information and belief, California is a primary market for Socket  
2 Solutions, with many products advertised and sold to California residents, including  
3 within this District.

4       30. On information and belief, Lider and Socket Solutions are directly  
5 competing in this District for sales to customers in this District, such that elimination of  
6 Lider's competing product in this District would allow Socket Solutions to expand its  
7 marketshare for the Sleek Socket in this District.

8       31. On information and belief, Socket Solutions likely identified Lider and the  
9 accused Lider Products promptly after those products were introduced on Amazon in or  
10 around February 2023.

11      32. On information and belief, Socket Solutions is managed by an attorney who  
12 is also the named inventor of the '080 Patent.

13      33. On information and belief, Socket Solutions' legal counsel in connection  
14 with the Amazon takedown demands is highly knowledgeable about Amazon's business  
15 and the typical business practices of Amazon merchants because he serves as a mediator  
16 in Amazon's utility patent infringement dispute resolution program, and regularly  
17 represents clients involved in Amazon patent infringement disputes.

18      34. On information and belief, one of the reasons that Socket Solutions engaged  
19 its counsel was to leverage its counsel's knowledge and expertise concerning Amazon,  
20 and the handling of patent infringement enforcement matters through Amazon.

21      35. On information and belief, Socket Solutions and its counsel conferred  
22 closely with respect to the Amazon takedowns against Lider, or if they did not, should  
23 have.

24      36. On information and belief, Socket Solutions knew that the Lider Products  
25 originated from Lider because the Amazon listings clearly indicated that fact.

26      37. If Socket Solutions did not know the facts recited in the foregoing  
27 paragraph, then it was willfully blind to them.

1       38. On information and belief, Socket Solutions knew that Lider was operating  
2 essentially exclusively in this Judicial District (and incorporated in California) because  
3 standard and simple diligence in reviewing publicly available information would have  
4 revealed that fact. Such research would have been routine for Socket Solutions and its  
5 counsel, who are both sophisticated.

6       39. If Socket Solutions did not know the facts concerning Lider recited in the  
7 foregoing paragraph, then it was willfully blind to them.

8       40. On information and belief, because Socket Solutions sells so extensively on  
9 Amazon, and because of the sophistication of Socket Solutions and its counsel, Socket  
10 Solutions is well aware of Amazon's relevant business operations as they relate to selling  
11 consumer products similar to those sold by Socket Solutions.

12       41. On information and belief, it is common knowledge among those familiar  
13 with Amazon sale operations (including Socket Solutions and its counsel) that Amazon  
14 has a very large presence in this District, with multiple major warehouses and distribution  
15 centers that manage a large volume of inventory from consumer products companies  
16 based in this District.

17       42. On information and belief, because of Socket Solutions' own sales through  
18 Amazon in this District – including of its claimed commercial embodiment of the '080  
19 Patent – Socket Solutions is familiar with Amazon product distribution and warehousing  
20 in this District.

21       43. On information and belief, Socket Solutions would have known that a  
22 consumer products company like Lider based exclusively in this District would be  
23 shipping its products in via the major ports at Los Angeles or Long Beach (or by air into  
24 this District), and that those products would then be transported over land in this District,  
25 and then warehoused in this District, including at Amazon's well-known major  
26 warehouses that are in this District. Thus, Socket Solutions would have known that any  
27 disruption in sales of such products on Amazon would have direct and immediate  
28 consequences to the distribution and warehousing of such products in this District.

44. If Socket Solutions did not know the facts recited in the foregoing paragraph, then it was willfully blind to them.

45. Furthermore, Socket Solutions would have known, based on the way that most products like the ones at issue are sold online, that Amazon would have almost certainly accounted for the vast majority of Lider's sales, a fact that would also have been apparent from the absence of Lider products on other online sales platforms, and the fact that the accused products had only recently been introduced by a new company. This basic diligence would have been routine for Socket Solutions and its counsel. Thus, Socket Solutions would have known that its actions targeting Amazon distribution in this District would have amounted to a complete or near complete shut-down of Lider's entire business relating to the accused products, and that that shut-down was happening in this District.

46. If Socket Solutions did not know the facts concerning Lider recited in the foregoing paragraph, then it was willfully blind to them.

47. On or about April 10, 2023, Socket Solutions, through its counsel referred to above, sent a takedown request to Amazon accusing the Lider Product of infringing the '080 Patent and demanding that Lider's listings for the Lider Products be removed from Amazon.

48. Socket Solutions' letter had the effect of causing Amazon to implement a takedown.

49. On information and belief, Socket Solutions knew full well – and intended – that Amazon would inform Lider in this District of Socket Solutions’ demand and who submitted it (which Amazon did). Thus, Socket Solutions enlisted Amazon to communicate its infringement allegations to Lider in this District.

50. If Socket Solutions did not know that Amazon would communicate its infringement allegations to Lider in this District, then Socket Solutions was willfully blind to that fact.

1       51.    Socket Solutions also knew and intended that if Amazon followed through  
2 on Socket Solutions' takedown demand, it would cause direct economic and reputational  
3 injury to Lider in this District, and direct and immediate effects on distribution and  
4 warehousing of the accused Lider Products in this District.

5       52.    If Socket Solutions did not know the facts recited in the foregoing  
6 paragraph, then it was willfully blind to them.

7       53.    On or about April 14, 2023, Lider responded to the Amazon takedown by  
8 submitting a legal opinion letter articulating why the Lider Products did not infringe the  
9 '080 Patent.

10      54.    Lider anticipated that Amazon would supply the letter to Socket Solutions,  
11 and upon information and belief, Amazon did.

12      55.    Lider's opinion letter had the effect of reinstating the Amazon listings.

13      56.    On May 18, 2023, Socket Solutions, through its counsel identified above,  
14 sent a second takedown demand to Amazon regarding the Lider Products.

15      57.    On information and belief, Socket Solutions knew full well – and intended –  
16 that Amazon would inform Lider in this District of Socket Solutions' demand and who  
17 submitted it (which Amazon did). Thus, Socket Solutions enlisted Amazon to  
18 communicate its infringement allegations to Lider in this District.

19      58.    If Socket Solutions did not know that Amazon would communicate its  
20 infringement allegations to Lider in this District, then Socket Solutions was willfully  
21 blind to that fact.

22      59.    Socket Solutions' second letter had the effect of causing Amazon to remove  
23 the Lider Product listings.

24      60.    As a result of Socket Solutions' allegations of patent infringement made to  
25 Amazon, Lider has lost significant sales and suffered injury to its reputation, including  
26 with Amazon which is Lider's primary distributor.

27      61.    The foregoing harms are felt by Lider in this District.

1       62. Additionally, distribution of the Lider Products to and from Amazon  
2 facilities in this District has been brought to a halt.

3       63. On information and belief, a substantial amount of inventory of the Lider  
4 Products is frozen in Amazon warehouses in this District.

5       64. Lider's reputation with Amazon and its customers within this District (and  
6 elsewhere) has been harmed by Socket Solutions' infringement allegations.

7       65. Lider will continue to be harmed until its listing is restored and claims of the  
8 alleged patent infringement against Lider have been resolved.

9       66. On information and belief, Socket Solutions is continuing to ship its  
10 competing Sleek Socket products into this District (including to the same Amazon  
11 facilities in this District that have warehoused and sold the accused Lider Products), and  
12 is knowingly leveraging its elimination of the Lider Products from the market to expand  
13 Socket Solutions' own presence and marketshare for competing Sleek Socket products in  
14 this District (including at Amazon), and among customers in this District.

15       67. On information and belief, Socket Solutions' actions relative to Lider are  
16 part of a deliberate plan to be Amazon's exclusive source for the relevant class of  
17 products in this District.

18       68. On information and belief, Socket Solutions knew the foregoing recited  
19 harms in this Section would be felt by Lider in this District.

20       69. Socket Solutions knowingly enlisted Amazon to take immediate action in  
21 this District to cause direct and immediate injury to Lider in this District, and to directly  
22 and immediately interfere with the distribution and warehousing of the Lider Products  
23 within this District, including at Amazon facilities in this District, so that Socket  
24 Solutions could expand its sales of its competing Sleek Socket products in this District,  
25 including through Amazon.

26       70. Socket Solutions' enforcement conduct through Amazon has created an  
27 actual and immediate controversy as to whether the '080 Patent is valid or infringed by  
28 Lider.

71. Declaratory Judgment jurisdiction is properly invoked to adjudicate the foregoing actual controversy.

## COUNT I

## **NON-INFRINGEMENT OF U.S. PATENT NO. 9,509,080**

72. The allegations of each of the foregoing paragraphs are incorporated by reference as if fully set forth herein.

73. The Lider Products do not infringe any valid and enforceable claim of the '080 patent either directly, indirectly, or under the doctrine of equivalents.

74. For example, Claim 1 of the '080 patent recites:

1. An apparatus for hiding a standard indoor electrical wall outlet having at least two receptacles while affording continued use of that said outlet, the apparatus comprising:

a. a cover comprising:

(i) a frontplate; and

(ii) a backplate comprising at least one set of electrical prongs including a hot prong, a neutral prong, and optionally a ground prong, positioned to correspond to a first receptacle of the wall outlet; and

b. an electrical cord extending from the backplate, or the cover, said cord comprising at the cord's proximal end: at least one hot pin, at least one neutral pin and optionally a ground wire positioned on or fastened or attached to the backplate of the cover in such manner as to minimize distance between the front plate and the backplate, and respectively connected to or associated with the hot prong, neutral prong and any ground prong on the exterior of the backplate, wherein the hot pin and the neutral pin are positioned at approximately right angles to the backplate; and comprising at the cord's distal end at least one receptacle.

75. The Lider Products do not infringe claim 1 of the '080 at least because they do not satisfy the limitation: "wherein the hot pin and the neutral pin are positioned at

1 approximately right angles to the backplate.” The “pins” of the Lider Products extend  
2 along the same direction along which the “prongs” of the Lider Products also extend,  
3 respectively, and do not form right angles to the backplate and are not “bent” to conserve  
4 space, as required by the ’080 patent.

5 76. As to claim 16, the Lider Products additionally do not include at least “a pair  
6 of non-conductive prongs, positioned to correspond to the second receptacle of the wall  
7 outlet.” The Lider Product does not have lower “prongs,” nor any non-conductive  
8 “prongs.” In other words, all “prongs” insertable into the wall socket are conductive  
9 “prongs.”

10 77. Also as to claim 16, the “pins” of the Lider Products extend along the same  
11 direction along which the “prongs” of the Lider Products also extend, respectively, and  
12 do not form right angles to the backplate and are not “bent” to conserve space, as  
13 required by the ’080 patent.

14 78. As to claim 19, the Lider Products fail to meet the requirement that “the  
15 height of the hot pin, neutral pin, and any ground wire is approximately the same or less  
16 than the thickness of the cord.” The “pins” of the Lider Products have a height that is  
17 considerably greater than the thickness of the cord.

18 79. As to claim 22, the Lider Products do not include at least “at least a pair of  
19 non-conductive prongs, positioned to correspond to a second receptacle of the wall  
20 outlet.” The Lider Product does not have lower “prongs,” nor any non-conductive  
21 “prongs.” In other words, all “prongs” insertable into the wall socket are conductive  
22 “prongs.”

23 80. Lider seeks a declaration that the Lider Products (and any colorable variation  
24 of the Lider Products) do not infringe any claims of the ’080 Patent.

25 81. Lider also seeks recovery of its attorneys’ fees.

1 **COUNT II**

2 **INVALIDITY OF U.S. PATENT NO. 9,509,080**

3 82. The allegations of each of the foregoing paragraphs are incorporated by  
4 reference as if fully set forth herein.

5 83. Claims 1-24 of the '080 Patent are invalid as anticipated or obvious under  
6 sections 35 U.S.C. §§ 102, 103, and/or 112.

7 84. As a non-limiting example, what the '080 Patent essentially discloses is a  
8 commonplace flat-head extension cord plug wherein the flat head is wide enough to  
9 cover the wall outlet. This is an obvious variation of well-known prior art, and the '080  
10 Patent is therefore subject to invalidation.

11 85. Claims 1, 19, and 22 are also invalid as indefinite insofar as they recite “at  
12 least one hot pin, at least one neutral pin and optionally a ground wire positioned on or  
13 fastened or attached to the backplate of the cover *in such manner as to minimize distance*  
14 *between the front plate and the backplate[.]*”

15 86. Lider seeks a declaration that the '080 Patent is invalid.

16 87. Lider also seeks recovery of its attorneys' fees.

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## **PRAYER FOR RELIEF**

WHEREFORE, Plaintiff Lider respectfully requests the Court enter judgment as follows:

- (a) that Lider has not infringed any claim of the '080 Patent;
- (b) that the '080 Patent is invalid;
- (c) that this case is exceptional and an award of attorneys' fees; and
- (d) for such other and further relief as the Court deems just and equitable.

Dated: June 14, 2023

Respectfully Submitted,

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*Counsel for Plaintiff  
Lider Electric Inc.*

**DEMAND FOR JURY TRIAL**

Plaintiff hereby respectfully requests trial by jury under Rule 38 of the Federal Rules of Civil Procedure on all issues in this action so triable.

Dated: June 14, 2023

Respectfully submitted,

/s/ Jean-Paul Ciardullo

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